



IREIT reports steady performance and delivers DPU of 1.46 Singapore cents for 4Q 2017

- ◆ 5.77 Singapore cents DPU recorded for FY 2017, translating to an attractive yield of 7.4%¹
- ◆ Higher portfolio valuation of €463.1 million as at 31 December 2017, compared to €453.0 million a year ago
- ◆ Loan amortisation of €2.55 million in 2H 2017 contributed to lower aggregate leverage of 40.3%
- ◆ Hedging undertaken for FY 2018; future income to be hedged on a quarterly basis in accordance with currency hedging policy

SINGAPORE ◆ 14 FEBRUARY 2018

For immediate release

IREIT Global (IREIT), a Europe-focused real estate investment trust managed by IREIT Global Group Pte. Ltd. (the Manager), is pleased to announce the results for the fourth quarter of its financial year ended 31 December 2017 (4Q 2017).

Net property income and distributable income grew by 0.3% and 3.1% year-on-year, respectively, to €7.9 million and €6.6 million in 4Q 2017. Contributing to this set of steady results was continued firm rental income from its portfolio of five quality freehold assets in Germany, as well as the 10% rental uplift at Bonn Campus after the CPI-linked hurdle rate was crossed in December 2016. For FY 2017, net property income came in at €31.5 million, up 2.2%, while distributable income rose by 1.7% to €26.0 million.

After income retention in line with IREIT's distribution policy, distribution per unit (DPU) for 4Q 2017 stood at €0.94 cents (S\$1.46 cents), marginally higher than the distribution of €0.92 cents (S\$1.42 cents) recorded in the prior quarter. This brings the FY 2017 DPU to S\$5.77 cents, representing an attractive distribution yield of 7.4% based on IREIT's closing unit price of S\$0.775 on 29 December 2017, being the last trading day of 2017.

¹ Based on IREIT's closing unit price of S\$0.775 on 29 December 2017 (last trading day of 2017)



During the year, the appraised value of IREIT's portfolio assets increased by €10.1 million, reflecting IREIT's blue-chip tenant base and the improving German real estate market. As a result, the portfolio valuation stood at €463.1 million as at 31 December 2017, versus €453.0 million a year ago. Together with the partial loan repayments of €2.55 million in 2H 2017, IREIT's aggregate leverage improved 1.3 percentage points year-on-year to 40.3% as at 31 December 2017.

Mr Aymeric Thibord, the Chief Executive Officer of the Manager, said, "IREIT has delivered a steady set of results in FY 2017. In the year ahead, its portfolio performance should continue to be supported by its blue-chip tenant base and long leases, with notably no lease expiry in 2018."

IREIT will make the remaining two partial loan repayments of €1.275 million each in 1H 2018 in accordance with the loan amortisation schedule for the short-term loan facility provided by HSH Nordbank AG. This is expected to strengthen IREIT's balance sheet further. In addition, the Manager has received credit approval from HSH Nordbank AG to extend the maturity date of the remaining principal of €18.52 million, currently due to expire in July 2018, by two years without amortisation. The Manager is now in the process of finalising the legal documentation and will make a separate announcement with further details in due course.

As previously announced, IREIT has already undertaken hedging for its FY 2018 distributions at an average hedge rate of approximately S\$1.63 per Euro. From 2019, in accordance with its currency hedging policy, IREIT will be hedging its income to be repatriated from overseas to Singapore on a quarterly basis.

Mr Thibord added, "Looking ahead, we will continue to pursue our growth strategy based on the four pillars of seeking diversification, adopting a long-term approach, achieving scale, and leveraging on Tikehau Capital's established local presence."



Financial Results Summary

	Quarter Ended 31 December			Year Ended 31 December		
	4Q 2017 Actual	4Q 2016 Actual	Variance (%)	FY 2017 Actual	FY 2016 Actual	Variance (%)
Gross revenue (€'000)	8,693	8,584	1.3	34,959	34,399	1.6
Net property income (€'000)	7,945	7,922	0.3	31,528	30,856	2.2
Income available for distribution (€'000)	6,587	6,387	3.1	25,976	25,550	1.7
Income to be distributed to Unitholders (€'000) ²	5,928	6,387	(7.2)	23,378	25,550	(8.5)
Distribution per Unit						
- € cents	0.94	1.03	(8.7)	3.72	4.14	(10.1)
- S\$ cents ³	1.46	1.58	(7.6)	5.77	6.33	(8.8)

ABOUT IREIT GLOBAL

www.ireitglobal.com ♦ SGX mainboard listing: August 2014

IREIT Global (SGX-UD1U) which was listed on 13 August 2014, is the first Singapore-listed real estate investment trust with the investment strategy of principally investing, directly or indirectly, in a portfolio of income-producing real estate in Europe which is used primarily for office, retail and industrial (including logistics) purposes, as well as real estate-related assets.

IREIT Global's current portfolio comprises five freehold properties strategically located in the key German cities of Berlin, Bonn, Darmstadt, Münster and Munich with a total net lettable area of 200,673 sqm and 3,441 car park spaces.

IREIT Global is managed by IREIT Global Group Pte. Ltd., a subsidiary of pan-European asset management and investment firm Tikehau Capital.

² The 4Q 2017 and FY 2017 distributions are in line with IREIT's distribution policy of distributing at least 90% of its annual distributable income.

³ The DPU in S\$ cents was computed after taking into consideration the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders.



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ABOUT TIKEHAU CAPITAL

www.tikehaucapital.com ♦ Paris Euronext, compartment A listing: March 2017

Tikehau Capital is an asset management and investment group which manages €12.6 billion of assets, with shareholders' equity of €2.3 billion as at 30 September 2017. The group invests in various asset classes (private debt, real estate, private equity and liquid strategies), including through its asset management subsidiary Tikehau Investment Management, on behalf of institutional and private investors. Controlled by its managers, alongside leading institutional partners, Tikehau Capital employs 185 staff in its Paris, London, Brussels, Madrid, Milan, Seoul and Singapore offices.

Tikehau Capital is listed on Euronext Paris, compartment A (ISIN code: FR0013230612; Ticker: TKO.FP).

FOR FURTHER ENQUIRIES

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